

AMENDED IN SENATE APRIL 16, 2012

**SENATE BILL**

**No. 1122**

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**Introduced by Senator Rubio**

February 17, 2012

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An act to amend, *renumber, and add* Section ~~101850~~ 701.3 of the ~~Health and Safety~~ *Public Utilities* Code, relating to ~~Alameda County Medical Center Hospital Authority~~ *energy*.

LEGISLATIVE COUNSEL'S DIGEST

SB 1122, as amended, Rubio. ~~Alameda County Medical Center Hospital Authority~~ *Energy: renewable biomass and biogas projects*.

*Under existing law, the Public Utilities Commission has regulatory authority over public utilities. Existing law provides that until the commission completes an electric generation procurement methodology that values the environmental and diversity costs and benefits associated with various generation technologies, the commission shall direct that a specific portion of future electrical generating capacity needed for California be reserved or set aside for renewable resources.*

*This bill would provide that unless and until the commission adopts a methodology that accounts for the benefits to ratepayers and the environment from reducing air pollution and global warming emissions by generating electricity from specified sources of biogas and biomass, the commission shall, by June 1, 2013, direct electrical corporations, as defined, to collectively procure at least 250 megawatts of electrical generating capacity from small renewable biomass and biogas electrical generating projects, as specified.*

~~Existing law authorizes the establishment of a hospital authority to administer, manage, and control the Alameda County Medical Center.~~

~~This bill would make technical, nonsubstantive changes to these provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     *SECTION 1. Section 701.3 of the Public Utilities Code is*  
2     *amended and renumbered to read:*

3     ~~701.3.~~

4     701.2. Until the commission completes an electric generation  
5     procurement methodology that values the environmental and  
6     diversity costs and benefits associated with various generation  
7     technologies, the commission shall direct that a specific portion  
8     of future electrical generating capacity needed for California be  
9     reserved or set aside for renewable resources.

10    SEC. 2. *Section 701.3 is added to the Public Utilities Code, to*  
11    *read:*

12    701.3. (a) *The Legislature finds and declares the following:*

13    (1) *New and emerging distributed renewable generation*  
14    *technologies can greatly reduce methane pollution in California*  
15    *while providing quantifiable benefits to California ratepayers and*  
16    *the environment, contributing to the state's local renewable energy*  
17    *and climate goals, and providing increased electric system*  
18    *reliability.*

19    (2) *The commission has refused to account for the benefits of*  
20    *methane and other emissions reductions that result from the*  
21    *utilization of low-emission biomass and biogas technologies from*  
22    *landfills and organic waste diversion, waste water treatment plants,*  
23    *food and agricultural processing, animal waste facilities, and*  
24    *farms, and has failed to promote resource diversity in the*  
25    *renewable distributed generation programs it administers.*

26    (b) *For the purposes of this section, the following terms have*  
27    *the following meanings:*

28    (1) *"Electrical corporation" means an electrical corporation,*  
29    *as defined in Section 218, that furnishes electricity to more than*  
30    *100,000 customers.*

31    (2) *"Small biogas or biomass projects" means electrical*  
32    *generation projects that are no larger than five megawatts, and*  
33    *that comply with all applicable requirements of the State Air*

1 *Resources Board and the air quality management or air pollution*  
2 *control district.*

3 *(c) Unless and until the commission adopts a methodology that*  
4 *accounts for the benefits to ratepayers and the environment from*  
5 *reducing air pollution and global warming emissions by generating*  
6 *electricity from landfills and organic waste diversion, waste water*  
7 *treatment plants, food and agricultural processing, animal waste*  
8 *facilities, and farms, the commission shall, by June 1, 2013, direct*  
9 *the electrical corporations to collectively procure at least 250*  
10 *megawatts of electrical generating capacity from small renewable*  
11 *biomass or biogas projects.*

12 *(d) In implementing this section, the commission shall do all of*  
13 *the following:*

14 *(1) Allocate the 250 megawatts identified in subdivision (c)*  
15 *among the electrical corporations.*

16 *(2) Direct each electrical corporation to, at least once a year,*  
17 *solicit electricity from small biomass or biogas electrical*  
18 *generating projects.*

19 *(3) Direct each electrical corporation, as part of the solicitation*  
20 *in paragraph (2), to issue a standard unilateral offer to small*  
21 *renewable biomass or biogas electrical generating projects that*  
22 *includes terms that are consistent with the operational*  
23 *characteristics of the projects, and provides a streamlined*  
24 *interconnection process.*

25 *(4) Select the offers that represent the least-cost, best-fit*  
26 *resources for the electrical corporation.*

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<p><b>All matter omitted in this version of the bill appears in the bill as introduced in the Senate, February 17, 2012. (JR11)</b></p>
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